plants to generate power at a PLF of 68.49 per cent, coal company will be liable to pay damage corresponding to the Fixed Capacity Charges.

(2) A nominal liquidated damages shall have to be paid by the coal company for short supplies of coal in the event supply is between 68.49 per cent PLF to a specified level.

(3) Bonus will be paid by the power producer to the coal company for the supply of coal beyond the level mentioned above.

(4) For the acceptance of the risk, the coal company shall be entitled to charge a premium as the price of coal.

Production and export of sugar

2036. SHRI O. P. KOHLI: Will the Minister of FOOD AND CONSUMER AFFAIRS be pleased to state:

(a) whether there have been less production of sugar during the season 1996-97 as compared to its production during the last season;

(b) if so, the causes therteof;

(c) whether inspite of less produc. tions 'sugar is being exported; and

(d) if so, the reasons therefor?

THE MINISTER OF.STATE OF THE MINISTRY OF FOOD AND CONSUMER AFFAIRS (SHRI RAGHUBANS PRASAD SINGH): (a) and (b) The production of sugar during the current season 1996-97 season upto 7th July, 1997 was 127.64 lakh tonnes as compared to 161.14 lakh tonnes on the corresponding date during the last season, 1995-96. The fall in sugar production can be attributed to *the* following reasons:—

(i) marginal decrease in area under sugarcane;

(ii) significant shortfall in productivity of sugarcane, particularly in Maharashtra;

(iii) late start of crushing, paiti-ciilarly in U.P.; and

(iv) diversion of Sugarcane to khand-sari and gur manufacture in the early part of the sugar season, particularly in U.P.

(c) and (d) The export of sugar is being made out of the freesale sugar available in the country which is surplus after fulfilling the domestic consumption requirements.

Rice drawn for PDS withou* linking *it* to procurement

2037. SHRI YERRA NARAYANA. SWAMY: Will the Minister of FOOD AND CONSUMER AFFAIRS be pleased to state:

(a) whether Andhra Pradesh Govern ment ha« requested that rice upto 14 lakh tonnes may be permitted to be drawn for the PDS without linking it to procurement;

(b) if so, the reaction of Central Government;

(c) whether the Andhra Pradesh Government have been conveyed the view of Central Government; and

(d) if so. the details thereof?

THE MINISTER OF STATE OF FHE MINISTRY OF FOOD AND CONSUMER AFFAIRS (SHRI RAGHUBANS PRASAD SINGH): (a) Yes Sir. Government of Andhra Pradesh requested Government of India in June, 1996 that the rice for erstwhile Revamped Public Distribution System (RPDS) may be provided to the extent of 13.20 lakh tonnes per annum without linking it to procurement. It was also suggested by the State Government that the State will continue to draw rice for Public Distribution System (PDS) upto 14 lakh tonnes per annum without linking it to procurement and over and above that quantity, the State will also draw 50 per cent of the procurement of rice in the State for PDS leaving the remaining 50 per cent for Central Pool